



Mark L. Reed, Esq.
Director, Public Affairs
800 Boylston Street
Boston, Massachusetts 02199
617-424-2242

February 27, 2003

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station, 2nd Floor
Boston, MA 02110

RE: NSTAR Gas Company, D.T.E. 03-21

Dear Ms. Cottrell:

Enclosed please find the Annual Service Quality Report (the "SQ Report") for NSTAR Gas Company ("NSTAR Gas" or the "Company"). The SQ Report sets forth the Company's performance results for the year ending December 31, 2002, under the service quality plan (the "SQ Plan") that was approved for the Company by the Department of Telecommunications and Energy (the "Department") on April 17, 2002.

In 2002, the Company met or exceeded all of the established performance benchmarks, and therefore, ended the year in a net offset position. NSTAR Gas looks forward to continued success in 2003.

Should you have any questions or need additional information, please do not hesitate to contact me. Any communications should also be directed to:

Robert J. Keegan
Cheryl M. Kimball
Keegan, Werlin & Pabian, LLP
21 Custom House Street
Boston, MA 02110
TEL: (617) 951-1400

Thank you for your time and attention to this matter.

Sincerely,

Mark Reed

DTE 03-21

NSTAR Gas Company

Annual Service Quality Report

SECTION ONE

Year Ending December 31, 2002

DTE FORM - A



FORM A (Gas Companies)

NSTAR Gas Company

28-Feb-03

PENALTY PROVISIONS	Years in Database	Mean and Benchmark	Performance in 2002	Comments
Telephone Answering Factor (%)	5	54.20% (+/- 20.76%)	79.08%	Telephone statistic based on Calls Handled within 30 Seconds.
Emergency Answering (%)	NA	NA	83.02%	Tracking emergency calls started in 2002.
Non-Emergency Answering (%)	NA	NA	78.07%	Tracking non-emergency calls started in 2002.
Service Appointments Kept (%)	2	NA	99.66%	Tracking service appointments started in 2000.
Meter Reads (%)	5	97.83% (+/- 1.86%)	98.19%	
Consumer Division Cases (Cases/1000 customers)	10	0.955 (+/- 0.219)	0.445	
Bill Adjustments (\$/1000 customers)	10	\$33.37 (+/- \$26.77)	\$8.05	
Lost Time Accident Rate (# of acc/200,000 employee hours worked)	10	8.62 (+/- 3.96)	1.68	
Response To Odor Calls (%)	4	95.00%	98.86%	

FORM A (Gas Companies)

NSTAR Gas Company

28-Feb-03

ADDITIONAL REPORTING	Years in Database	Mean and Benchmark	Performance in 2002	Comments
Staffing Levels	6	Union 392 Management 172	Union 2324 Management 889	
Restricted Work Day Rate (# of acc/200,000 employee hours worked)	10	2.76	4.65	
Property Damage > \$50K (#)	1	NA	2	
Unaccounted For Gas (Mcf)	10	NA	2,376,500	Performance in 2002 in estimated pending filing of DTE Annual Return
Capital Expenditures (# of projects and total \$)	10	\$19,035,300	76 \$29,520,000	
Spare Component & Inventory Policy	NA	NA	NA	
Customer Surveys (scale 1-7):				
Random (Overall Customer Satisfaction Survey)	1	NA	90.5%	
Callers (Post-Transaction Survey)	1	NA	90.8%	
Accidents				Reported above for Property Damage
Customer Service Guarantees (#; total \$)				
# of Payouts	1	NA	20	
\$ of Payouts	1	NA	\$500	

DTE 03-21

NSTAR Gas Company

**Annual Service Quality Plan
Performance Report**

SECTION TWO

Year Ending December 31, 2002

Historical Performance Data



SECTION 2

NSTAR Gas Company Performance Review for Year Ending December 31, 2002

I. Introduction

On April 17, 2002, the Department of Telecommunications and Energy (the “Department”) approved a Service Quality Plan (the “SQ Plan”) for NSTAR Gas Company (“NSTAR Gas,” or the “Company”). In accordance with the terms of the SQ Plan, NSTAR Gas filed its first annual service-quality report on March 1, 2002. That filing established the benchmarks (using data through 2001) against which performance in the 2002 calendar-year period would be measured. In this section (Section 2) of the filing, the Company reviews: (1) the historical data underlying those benchmarks; (2) the performance results for 2002; and (3) the comparison of 2002 performance results to the established benchmarks. Items (2) and (3) are provided in this section at Schedule 1, at page 1. Item (1) is provided in Schedule 1, at page 2.

In Section 3 of this filing, the Company has provided documentation for the reliability and safety requirements that are subject to the reporting requirements of the SQ Plan.

Also in Section 3, the Company has provided updated historical performance data through December 31, 2002. Based on this data, the Company has calculated the benchmarks that will be applied to evaluate 2003 performance data in next year’s filing. In that regard, the Company has recalculated benchmarks for three measures for which there was less than the requisite level of data as of December 31, 2001. For these three measures, the benchmarks applied next year are calculated using data through December 31, 2002. As provided by the SQ Plan, benchmarks that were calculated using the requisite level of data as of December 31, 2001, are fixed for the period of the SQ Plan. The fixed and updated benchmarks for 2003 are set forth in Appendix 7.

Specifically Section 3 contains the following:

- Appendix 1: Customer Surveys
- Appendix 2: Restricted Work Day Data
- Appendix 3: Unaccounted-For Gas
- Appendix 4: Damage to Company Property In Excess of \$5,000
- Appendix 5: Capital Expenditures
- Appendix 6: Spare Component and Acquisition Inventory Policy

- Appendix 7: Staffing Levels
- Appendix 8: Updated Historical Data and Calculation of Benchmarks for 2003 Performance

II. Performance Review for Year Ending December 31, 2002

A. Customer Service and Billing Performance Measures

1. Telephone Service Factor

For the Telephone Service Factor, the Company is required to track and report data on the percentage of telephone calls from customers that are handled within a 30-second time interval, including both emergency and non-emergency calls.¹ NSTAR Gas began collecting data based on the percentage of calls answered within 30 seconds in 1997. Based on available data through 2001, the Company's benchmark for this measure is 54.20 percent. In 2002, the Company handled 79.08 percent of calls within 30 seconds, which generated an offset for the Company.

Because the 2002 performance benchmark calculated for the Telephone Service Factor was based on less than 10 years of historical data, the Company has updated this benchmark to include 2002 performance. As shown in Appendix 8, the benchmark against which 2003 performance will be measured has increased from 54.20 percent to 58.35 percent.

2. Service Appointments Met as Scheduled

As of January 1, 2000, the Company instituted a system to compile statistics on the percentage of service appointments met by Company personnel, excluding appointments missed by the customer. A "service appointment" is defined as a mutually agreed upon arrangement for service between the customer and the Company where the arrangement specifies the date for the Company's personnel to perform a service activity that requires the presence of the customer at the time of the service. The Company will continue to update the data annually in accordance with the Department's guidelines, and will establish the benchmark when ten years of data becomes available. As detailed in Appendix 7, the Company met 99.66 percent of its service appointments as scheduled in 2002.

3. On-Cycle Meter Readings

NSTAR Gas is required to report on the percentage of meters that are actually read by the Company in accordance with the meter-reading cycle. Based on available data through 2001, the Company's benchmark for this measure is 97.83 percent. In 2002, the

¹ Effective January 1, 2002, the Company began to measure the percent of calls handled within a 20-second time period. For this performance measure, the Company handled 76.04 percent of calls within 20 seconds.

Company achieved 98.19 percent of on-cycle meter reads, which is within one standard deviation of the benchmark.

Because the 2002 performance benchmark calculated for On-Cycle Meter Readings was based on less than 10 years of historical data, the Company has updated this benchmark to include 2002 performance. As shown in Appendix 8, the benchmark against which 2003 performance will be measured has increased from 97.83 percent to 97.89 percent.

B. Customer Satisfaction Performance Measures

1. Consumer Division Cases

The Company is required to measure its performance in relation to the number of customer-complaint cases filed with the Department's Consumer Division. Based on the 10 years of data provided to the Company, the performance benchmark shown on Schedule 1 is 0.955, which will remain fixed for the duration of the service-quality plan. In 2002, the number of Consumer Division cases was 0.445, which generated an offset for the Company.

2. Billing Adjustments

The Company is required to measure its performance in relation to the amount of revenue adjustments that result from the Department's intervention in a billing dispute with a residential customer. This is based on data that is compiled and reported by the Department and then provided to the Company. Based on the 10 years of data provided to the Company, the performance benchmark shown on Schedule 1 is 33.37, which will remain fixed for the duration of the SQ Plan. In 2002, the number of Billing Adjustments was 8.05, which was within one standard deviation of the benchmark.

C. Safety and Reliability Performance Measures

1. Response to Odor Calls

The SQ Plan requires the Company to measure its performance in relation to its response to all Class I and Class II odor calls. Until the Company records 10 years of historical data and can establish a benchmark for its Response to Odor Calls, the Department has set a performance benchmark of 95 percent for all companies. In 2002, the Company achieved 98.86 percent, which generated an offset for the Company. As shown in Appendix 8, the Company's historical data has been updated to include 2002 performance.

2. Lost-Work Time Accident Rate

The SQ Plan requires the Company to report on the Incidence Rate of Lost Work Time Injuries and Illness per 200,000 Employee Hours, as defined by the U.S. Department of Labor Bureau of Labor Statistics. This data is compiled and reported

annually to the U.S. Department of Labor Bureau of Labor Statistics and the Company has 10 years of available data for this measure. Based on that data, the performance benchmark for this measure is 8.62. In 2002, the number of Lost Work Time Accidents was 1.68, which generated an offset for the Company.²

² On January 1, 2002, the U.S. Department of Labor, Occupational Safety and Health Administration, revised the regulations concerning the recording and reporting requirements for occupational injuries and illnesses. See 29 CFR § 1904.7. Specifically, the revised regulations require the Company to include the number of calendar days that an employee was unable to work as a result of injury, regardless of whether or not the employee was scheduled to work on those days (29 CFR § 1904.7(iv)). The Company's performance benchmark for Lost-Work Time Accident Rate, which is based on ten years of historical information, excludes weekends, holidays or other days that an employee would not normally have reported to work. For OSHA reporting purposes, the Company will maintain a log of occupational injuries or illnesses consistent with the new regulation going forward. However, for purposes of the annual service-quality report, the Company will track and report its performance consistent with the prior version of the regulation so that the performance data will match the historical data composing the performance benchmark.

**NSTAR GAS COMPANY
SERVICE QUALITY STANDARDS**

	Required Years	Actual Years	Historical		Penalty / Offset	Max (2)	Results - 2002			
Measures	History	Available	Average	Std Dev	Weight	Penalty	Observ.	Variance	No. of Std Devs	Penalty / (Offset)
Customer Service and Billing										
% Calls Answered (1)	10	5	54.20%	20.76%	12.5%	\$ 377,643	79.08%	24.88%	1.1981	\$ (135,529)
% Service Appointments Met	10	2	NA	NA	12.5%	377,643	NA	NA	NA	NA
% On-Cycle Meter Reads	10	5	97.83%	1.86%	10.0%	302,115	98.19%	0.36%	0.1932	0
Safety and Reliability										
Lost Work Day Accidents	10	10	8.62	3.96	10.0%	302,115	1.68	-6.94	-1.7539	(232,329)
% Class I & II Odor Calls (3)	NA	NA	95.00%	NA	45.0%	1,359,516	98.86%	3.86%	3	(1,019,637)
Consumer Division Statistics										
Consumer Division Cases	10	10	0.955	0.219	5.0%	151,057	0.445	-0.510	-2.3321	(151,057)
Billing Adjustments	10	10	33.37	26.77	5.0%	151,057	8.05	-25.32	-0.9457	0
Total					100.0%	\$ 3,021,147				\$ (1,538,553)

Notes

- (1) Telephone statistic based on calls handled within 30 Seconds; includes abandoned calls.
(2) Max penalty is incurred at 2 sd from average
(3) Penalty/ (Offset) equal to 25% of max apply to each percentage point below/above 95% up to the max penalty.
(4) Two percent of total T&D revenue in 2002.
- | | |
|--------------------------------|--------------------|
| | \$3,021,647 |
| Less: Service Guarantee Payout | 500 |
| Maximum Penalty / (Offset) | <u>\$3,021,147</u> |

NSTAR GAS COMPANY

Measures	History (1)													DTE 01-71 History			
	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989	1988	Sample	Average	Std Dev
<u>Customer Service and Billing</u>																	
% Calls Answered	68.35%	81.49%	51.15%	30.90%	39.12%										5	54.20%	20.76%
% Service Appointments Met	99.60%	99.50%													2	NA	NA
% On-Cycle Meter Reads	98.97%	99.13%	98.50%	97.95%	94.60%										5	97.83%	1.86%
<u>Safety and Reliability</u>																	
Lost Work Day Accidents	1.22	3.32	6.10	9.43	10.00	9.38	9.97	11.37	14.41	11.01					10	8.62	3.96
Class I & II Odor Calls	99.28%	98.93%	98.38%	98.50%													
<u>Consumer Division Statistics</u>																	
Consumer Division Cases	0.743	0.761	1.183	1.239	0.857	0.576	1.115	1.125	0.918	1.034					10	0.955	0.219
Billing Adjustments	10.11	4.51	30.80	22.59	24.37	11.98	41.92	40.20	50.58	96.61					10	33.37	26.77

Notes

(1) 12 Month period January to December.

DTE 03-21

NSTAR Gas Company

Annual Service Quality Report

SECTION THREE

Year Ending December 31, 2002

Back-up Data and Supporting Schedules



SECTION 3

I. Non-Penalty Related Service Quality Information

Section VII of the SQ Plan sets forth a number of non-penalty related reporting requirements for the Company's annual service-quality filings. These reports are as follows:

Appendix 1: Customer Surveys

Pursuant to section III.C of the SQ Plan, NSTAR Gas conducted an annual survey of (1) overall customer satisfaction as indicated by a statistically representative sample of residential customers, and (2) post-transaction customer satisfaction as indicated by a sample of randomly selected customers who have contacted the Company's customer-service department during the year. The surveys were conducted by Research International, which is an independent research firm with significant experience in conducting customer satisfaction surveys. The results of these surveys are presented in Appendix 1.

Appendix 2: Restricted Work Day Rate

The Restricted Work Day Rate is the Incidence Rate of Restricted Work Cases Per 200,000 Employee Hours, as defined by the U.S. Department of Labor, Bureau of Labor Statistics. The Restricted Work Date Rate performance statistics for the ten most recent years ending December 31, 2002 is provided in Appendix 2.

Appendix 3: Unaccounted-For Gas

Pursuant to section VII.A of the SQ Plan, the Company is required to report its Unaccounted-For Gas on an annual basis. The information for the ten most recent years ending December 31, 2002 is provided in Appendix 3.

Appendix 4: Damage In Excess of \$5,000

Pursuant to section VII.A of the SQ Plan, the Company is required to provide information regarding damage in excess of \$5,000 that is reported to the Department's Pipeline Engineering and Safety Division. This information is provided in Appendix 4.

Appendix 5: Capital Expenditures

The Company's data on capital expenditures for the ten most recent years (1993 through 2002) is provided in Appendix 5.

Appendix 6: Spare Component and Acquisition Inventory Policy

Pursuant to section VII.F of the SQ Plan, NSTAR Gas is required to report on an annual basis its policy for identifying, acquiring, and stocking critical spare components for its distribution and transmission system. The Spare Component and Acquisition Inventory Policy is provided as Appendix 6.

Appendix 7: Staffing Levels

Staffing level information for the Company is provided in Appendix 7.

Appendix 8: Performance Benchmarks for 2003

In Appendix 8, the Company has updated historical data to include 2002 performance data in the calculation of benchmarks for the 2003 reporting period, where the benchmarks were not fixed for the duration of the SQ Plan.

II. Customer Service Guarantees

Pursuant to section XI of the SQ Plan, NSTAR Gas is required to provide information as to the customer payments credited as a result of the customer-service guarantee program during the service-measurement period. As indicated in the SQ Plan, NSTAR Gas credits the customer's account by \$25.00 if a meter reading is inaccurate, if the Company knowingly fails to inform a customer that it will be more than 30 minutes late for a service appointment, if there is an error in the direct payment or pay-by-phone billing systems, if the Company fails to inform a customer of a scheduled service interruption, or if the Company does not respond to a billing question by the next business day. In addition, if a new residential service line is not connected by the agreed date (after all permits are received), the first month's bill is free (minimum \$25, maximum \$100). In 2002, NSTAR Gas remitted to customers a total of \$500.00 under its Customer-Service Guarantee program.

III. Conclusion

As set forth above, this filing establishes the performance benchmarks for service-quality measures subject to the penalty mechanism based on historical data available through December 31, 2002. On March 1, 2004, NSTAR Gas will make its annual filing, which will compare the Company's performance in 2003 to the benchmarks established in this filing. The Company's March 2004 filing will also include documentation to satisfy all other reporting requirements set forth in the approved SQ Plan.

NSTAR Gas Company

Customer Surveys

Year Ending December 31, 2002



Appendix 1

RESEARCH INTERNATIONAL



MEMO

TO NSTAR
FROM Research International
DATE February 19, 2003

RE: Residential customer satisfaction metrics (NSTAR Gas)

The following results are from a representative sample of 700 NSTAR residential customers. Of the 700 surveys, 550 were with NSTAR Electric residential customers (300 in the former Boston Edison service area, and 250 in the former COM/Electric service area) and 150 with NSTAR Gas residential customers. Respondents were asked to evaluate their overall satisfaction with NSTAR using a 7-point scale, where a rating of "7" means "very satisfied." *"Don't know" responses are excluded from the analysis.*

- Nine in ten (90.5%) NSTAR Gas customers rate positively their overall satisfaction with NSTAR (5 or higher on 7-point scale).

The associated margin of error for the sample of 150 surveys is +/-8.0 percentage points at the midpoint of the 95% confidence level

Jeff Banks
Senior Vice President
Research International/Cambridge
617.661.0110
955 Massachusetts Avenue
Cambridge, MA 02139

RESEARCH INTERNATIONAL



MEMO

TO NSTAR
FROM Research International
DATE February 19, 2003

RE: Post-transaction residential customer satisfaction metrics (NSTAR Gas)

The following results are from a representative sample of 900 NSTAR residential customers who recently contacted NSTAR for service. Of the 900 surveys, 724 were with NSTAR Electric residential customers (458 in the former Boston Edison service area, and 266 in the former COM/Electric service area) and 176 with NSTAR Gas residential customers. Respondents were asked to think about the most recent time they called NSTAR and to evaluate their *overall satisfaction with the service they received from the customer service department of NSTAR* using a 7-point scale, where a rating of "7" means "very satisfied." *"Don't know" responses are excluded from the analysis.*

- Nine in ten (90.8%) NSTAR Gas customers rate positively their overall satisfaction with NSTAR's customer service (5 or higher on 7-point scale).

The associated margin of error for the overall sample of 176 surveys is +/-7.4 percentage points at the midpoint of the 95% confidence level

Jeff Banks
Senior Vice President
Research International/Cambridge
617.661.0110
955 Massachusetts Avenue
Cambridge, MA 02139

NSTAR Gas Company

Restricted Work Day Data

Year Ending December 31, 2002



Appendix 2

Injury Statistics

Restricted Duty Cases

NSTAR Gas Company

	<u>Hrs. Wkd.</u>	<u># of Cases</u>	<u>Rate</u>
1993	1,470,746	10	1.36
1994	1,389,652	11	1.58
1995	1,323,602	5	0.76
1996	938,578	6	1.28
1997	1,119,625	8	1.43
1998	1,123,666	10	1.78
1999	1,114,857	16	2.87
2000	1,143,214	31	5.42
2001	1,145,547	37	6.46
2002	1,060,759	25	4.65
Mean			2.76

Incident Rate = Number of Cases x 200,000/Hours Worked

NSTAR Gas Company

Unaccounted-For Gas

Year Ending December 31, 2002



Appendix 3

Unaccounted for Gas NSTAR Gas Company	
1993	3.10%
1994	1.11%
1995	3.25%
1996	3.25%
1997	2.59%
1998	3.71%
1999	4.54%
2000	1.78%
2001	4.76%
2002**	4.90%

** Subject to change pending finalization of the Return of the NSTAR Gas Company to the DTE of Massachusetts for the Year ended December 31, 2002.

Note 1: The unaccounted for gas for NSTAR Gas is the net result of reconciling the total gas send out to gas sold plus company use. The source of the calculation is page 72 of the Return of the NSTAR Gas Company to the DTE of Massachusetts for the Year ended December 31, 2002.

NSTAR Gas Company

Damage in Excess of \$5,000

Year Ending December 31, 2002



Appendix 4

NSTAR Gas Company

Damage in Excess of \$5,000 that is reported to the Department's Pipeline Engineering and Safety Division.

- May 24, 2002: Incident in Framingham, MA involving a third-party contractor and damage to a service feeding a residence.
- July 24, 2002: Incident in Hopkinton, MA involving a multi-family residence and two fatalities.

NSTAR Gas Company

Capital Expenditures

Year Ending December 31, 2002



Appendix 5

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Distribution:												
All Areas	All Areas	Mains - New Business	\$ 1,261	\$ 1,054	\$ 1,155	\$ 992	\$ 1,446	\$ 1,508	\$ 1,694	1,494	\$ 1,117	\$ 2,208
All Areas	All Areas	Mains - System Improvements/Replacements	1,201	1,261	1,604	915	2,031	1,750	1,945	1,260	1,457	2,450
All Areas	All Areas	Mains - Cast Iron Replacement	803	1,058	881	189	1,276	973	1,206	1,119	1,352	1,994
All Areas	All Areas	Services - New Business	3,363	4,758	4,212	4,061	4,804	4,653	4,681	3,193	2,543	2,931
All Areas	All Areas	Services - Replacement	2,898	3,563	3,915	3,402	4,407	3,754	3,671	2,482	2,967	2,615
All Areas	All Areas	Corrosion - Rectifiers	8	10	1	-	8	1	-	-	-	-
All Areas	All Areas	Tools - Work Equipment	101	154	122	76	154	163	107	71	-	254
Dedham	Hyde Park	Master Meter Project - Georgetown, Hyde Park	-	-	-	-	31	226	-	-	-	-
		Providence Rd, Northbridge - Bridge Const. - Main	-	-	-	-	-	-	134	-	-	-
		Minor Projects	-	-	-	34	203	-	375	-	-	-
Southboro		Prentiss Forest	-	-	-	-	129	270	-	-	-	-
Southboro	Ashland	Prospect/Main St, Ashland	-	-	-	-	-	-	156	-	-	-
Southboro	Framingham	Stapleton School, Framingham	-	-	-	-	-	-	293	-	-	-
Southboro	Milford	Village, Milford	-	-	-	-	-	-	88	-	-	-
Southboro	Framingham	Villages @ Farm Pond, Framingham	-	-	-	-	-	-	75	-	-	-
System Improvements - Mains and Services:												
	Cambridge	Cambridge St, IP, Cambridge	-	-	-	-	-	-	-	24	-	-
Southboro	Shrewsbury	Centech Park- South St Shrewsbury	-	-	-	-	-	-	-	-	-	67
	Needham	Central Ave, Needham	-	-	-	-	-	-	-	156	-	-
Dedham	Needham	Central Ave, Needham	-	-	-	-	-	-	-	-	-	155
	Worcester	Cross Town Feeder, Worcester	-	-	-	-	-	-	-	11	-	-
Southboro	Marlboro	Farm St., Marlboro	-	-	-	-	-	-	-	-	-	(7)
Dedham	Hyde Park	Georgetown, Hyde Park	-	-	-	-	-	-	148	-	-	-
	Shrewsbury	Grafton St/Gold St, Shrewsbury	-	-	-	-	-	-	-	151	-	-
	Natick	Grove St/Walnut St, Natick	-	-	-	-	-	-	-	149	-	-
	Shrewsbury	Lake St. Shrewsbury	-	-	-	-	-	-	-	8	-	-
		Minor Projects	-	-	-	-	-	59	262	-	-	-
Dedham	Hyde Park	Neponset Valley Pky, Hyde Park	-	-	-	-	160	-	-	-	-	-
	Shrewsbury	Oak St, Shrewsbury	-	-	-	-	-	-	-	2	-	(4)
Dedham	Needham	Rosemary & Hillside, Needham	-	-	-	-	-	-	244	-	-	-
	Millbury	Rt 146 (Johnson St), Millbury	-	-	-	-	-	-	-	1	-	-
	Millbury	Rt 146/122A, Millbury	-	-	-	-	-	-	-	229	-	-
	Carver	S. Meadow & Main St, Carver	-	-	-	-	-	-	-	73	-	-
	Worcester	Shrewsbury St, Worcester	-	-	-	-	-	-	-	295	-	-
Southboro	Shrewsbury	South St., Shrewsbury	-	-	-	-	-	-	-	-	-	89
Southboro	Hudson	Washington Street #1, Hudson	-	-	-	-	-	-	118	-	-	-
Southboro	Holliston	Washington Street, Holliston	-	-	-	-	-	-	152	-	-	-
	Framingham	Waverly St, Framingham	-	-	-	-	-	-	-	234	-	2
	Hopkinton	176 South St, Hopkinton	-	-	-	-	-	-	-	76	18	20
		200 Camb Pk Dr #5 -Genetics	-	-	-	-	-	-	-	255	98	3
	Cambridge	770-790 Memorial Dr, Cambridge	-	-	-	-	-	-	-	-	102	8
	Cambridge	80 Gerry Landing Rd., Cambridge	-	-	-	-	-	160	-	-	-	-
	Worcester	Angela Rose (Franklin St#3) Worcester	-	-	-	-	-	-	-	5	85	-
	Worcester	Angela Rose Gardens, Worcester	-	-	-	-	-	-	-	-	13	12
	Westboro	Avalon @ Flanders, Westboro	-	-	-	-	-	-	-	-	39	117
	Marlboro	Avalon Orchards, Marlboro	-	-	-	-	-	-	-	-	86	-
Worcester	Worcester	Beacon St., Worcester	-	-	-	-	-	-	-	-	0	2
	Holliston	Connelly Hill Est, Holliston	-	-	-	-	-	-	-	22	-	-
	Hopkinton	Connelly Hill Est., Hopkinton	-	-	-	-	-	-	-	-	22	23
	Ashland	Cookingham Greene, Ashland	-	-	-	-	-	-	-	-	26	113
	Uxbridge	Elmshade Est., Uxbridge	-	-	-	-	-	-	-	10	2	-
	Marlboro	Farm St., Marlboro	-	-	-	-	-	-	-	54	58	-
	Ashland	Fiske Hill Est, Ashland	-	-	-	-	-	-	-	3	-	-

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	Marlboro	Forest St, Marlboro	-	-	-	-	-	-	-	-	35	-
	Framingham	Framingham Schools	-	-	-	-	-	-	-	130	102	-
	Shrewsbury	Grafton/Puritan Phase 1	-	-	-	-	-	-	-	-	31	-
	Worcester	Granby Rd/Shrew St, Worcester	-	-	-	-	-	-	-	-	271	-
	Marlboro	Hemenway St #370, Marlboro	-	-	-	-	-	-	-	-	20	-
	Worcester	Hidden Farms, Worcester	-	-	-	-	-	-	-	3	6	-
	Holliston	Highland Ph2, Holliston	-	-	-	-	-	-	-	80	24	2
	Holliston	Highland, Hol Ph2, Holliston	-	-	-	-	-	-	-	-	22	-
	Shrewsbury	Hills Farm Est Ph8, Shrewsbury	-	-	-	-	-	-	-	2	-	-
	Hopkinton	Hopkinton Meadows, Hopkinton	-	-	-	-	-	-	-	-	43	(6)
Southboro	Westboro	Hopkinton Rd., Westboro	-	-	-	-	90	118	-	-	-	-
	Ashland	Howard Estates, Ashland	-	-	-	-	-	-	-	8	-	-
	Worcester	Indian Hills, Worcester	-	-	-	-	-	-	-	31	1	-
		Meadow Brk Village, Berlin	-	-	-	-	-	-	-	-	46	-
	Framingham	Mellen St, Framingham	-	-	-	-	-	-	-	18	2	-
		Minor Projects	-	-	-	76	178	-	78	-	-	-
Plymouth		Newfield Street Loop	-	-	-	99	-	-	-	-	-	-
	Grafton	Oakmont Farms Ph2, Grafton	-	-	-	-	-	-	-	85	2	-
	Grafton	Oakmont Farms, Ph3, Grafton	-	-	-	-	-	-	-	-	71	10
	New Bedford	Off Phillips Rd New Bedford	-	-	-	-	-	-	-	-	-	35
	Ashland	Orchard Hill Est 2, Ashland	-	-	-	-	-	-	-	109	17	-
	Ashland	Oregon Heights, Ashland	-	-	-	-	-	-	-	-	40	-
	Hudson	Pheasant Trail, Hudson	-	-	-	-	-	-	-	32	10	-
	Plymouth	Pine Hills Ph 1, Plymouth	-	-	-	-	-	-	-	55	0	-
	Plymouth	Pine Hills Ph3A, Plymouth	-	-	-	-	-	-	-	-	195	-
	Plymouth	Pine Hills-Ph2 8" ip pl, Plymouth	-	-	-	-	-	-	-	66	36	-
Southboro		Pleasant Street	-	-	-	76	73	-	-	-	-	-
Worcester	Sutton	Pleasant Valley, Sutton	-	-	-	-	-	-	-	-	-	167
	Framingham	Potter School, Fram	-	-	-	-	-	-	-	87	4	-
	Shrewsbury	Prospect Hill Ph2, Shrewsbury	-	-	-	-	-	-	-	2	-	-
	Shrewsbury	Prospect Hills Ph 3, Shrewsbury	-	-	-	-	-	-	-	17	-	-
	Shrewsbury	Prospect Hills Ph 3, Shrewsbury	-	-	-	-	-	-	-	9	-	-
	Shrewsbury	Prospect Hills Ph 3, Shrewsbury	-	-	-	-	-	-	-	-	9	-
Worcester	Millbury	Rte 146 (Johnson St.), Millbury	-	-	-	-	88	73	-	-	-	-
	Hopkinton	South St, Hopkinton	-	-	-	-	-	-	-	69	-	-
	Hopkinton	South St, Hopkinton	-	-	-	-	-	-	-	-	30	-
Southboro	Northboro	Tall Pines, Northboro	-	-	-	-	100	-	-	-	-	-
	Northbridge	The Hills, Northbridge (Southboro District)	-	-	-	-	-	-	-	5	-	-
	Northbridge	The Hills, Northbridge (Southboro District)	-	-	-	-	-	-	-	-	41	37
Southboro	Natick	The Sanctuary #2, Natick	-	-	-	-	98	70	-	-	-	-
	Holden	The Seasons Ph1, Holden	-	-	-	-	-	-	-	-	14	6
Southboro	Hudson	Villages at Hudson	-	-	-	-	-	-	-	-	-	194
	Milford	Village at Silverhill, Milford	-	-	-	-	-	-	-	4	-	-
	Milford	Village Silverhill, Milford	-	-	-	-	-	-	-	-	2	-
	Marlboro	Waterford Dr, Marlboro	-	-	-	-	-	-	-	-	24	16
	Marlboro	Wheeler Rd, Marlboro	-	-	-	-	-	-	-	-	39	66
	Sutton	Whitin Rd 1, Sutton	-	-	-	-	-	-	-	-	4	10
	Worcester	Winter Heights, Worcester	-	-	-	-	-	-	-	16	-	-
	Worcester	Winter Heights, Worcester	-	-	-	-	-	-	-	-	115	-
	Worcester	Winter Hill, Holden-Worcester	-	-	-	-	-	-	-	4	-	-
	Worcester	Winter Hill, Holden-Worcester	-	-	-	-	-	-	-	-	13	(3)
	Westboro	Woodland Preserve, Westboro	-	-	-	-	-	-	-	36	-	-
	Westboro	Woodland Preserve, Westboro	-	-	-	-	-	-	-	-	20	-
	Natick	Woodland Village, Natick	-	-	-	-	-	-	-	16	-	-
	Natick	Woodland Village, Natick	-	-	-	-	-	-	-	-	6	4
Dedham	Needham	Central Ave I, Needham	-	-	-	-	107	-	-	-	-	-
Worcester		Cross Town Feeder 5	-	-	-	-	-	889	-	-	-	-
Southboro	Milford	Highland St. Milford	-	-	-	-	-	253	-	-	-	-
Southboro	Shrewsbury	Lake Street System, Shrewsbury	-	-	-	-	-	-	101	-	-	-
Plymouth	Kingston	Main St. I, Kingston	-	-	-	-	116	-	-	-	-	-
		Minor Projects	-	-	-	145	21	-	61	-	-	-

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
Worcester	Worcester	Western Leg Beltline, Worcester	-	-	-	-	421	46	-	-	-	-
New Bedford	New Bedford	Arnold Street #1, New Bedford	-	-	-	-	-	-	228	-	-	-
	Worcester	Beacon St, Worcester	-	-	-	-	-	-	-	-	48	-
	Worcester	Beacon St, Worcester	-	-	-	-	-	-	-	-	-	178
Cambridge	Cambridge	Buckingham St, Cambridge	-	-	-	-	-	-	-	57	-	-
Cambridge	Cambridge	Buckingham Street, Cambridge	-	-	-	-	-	-	86	-	-	-
Cambridge	Cambridge	Cambridge St. IP, Cambridge	-	-	-	-	-	693	409	-	-	-
Cambridge	Cambridge	Cambridge St., Cambridge	-	-	-	-	82	-	-	-	-	-
	Cambridge	Chilton St, Cambridge	-	-	-	-	-	-	-	3	2	-
	Plymouth	Court St. Rt3A1, Plymouth	-	-	-	-	-	-	-	18	4	-
New Bedford		Court Street	-	-	-	80	-	1	-	-	-	-
Plymouth	Plymouth	Court Street RT3A1, Plymouth	-	-	-	-	-	-	603	-	-	-
Cambridge	Cambridge	Fresh Pond Parkway 1, Cambridge	-	-	-	-	-	-	148	-	-	-
Worcester	Worcester	Fruit St. Worcester	-	-	-	-	-	136	-	-	-	-
Worcester	W. Boylston	Glenwood/Osgood Ave - West Boylston	2	-	-	-	-	-	-	-	-	-
Worcester	Worcester	Hurley Sq. - Rte 146	-	-	-	-	-	-	-	-	-	20
Dedham	Hyde Park	Hyde Park, Cambridge	-	-	-	-	-	-	-	-	-	115
Dedham	Hyde Park	Hyde Park Ave., Hyde Park	-	-	-	-	-	575	-	-	-	-
Worcester	Worcester	King Philip Rd - Worcester	45	62	-	-	-	-	-	-	-	-
	Worcester	King St. Worcester	-	-	-	-	-	-	-	-	73	-
	Cambridge	Larch St, Cambridge	-	-	-	-	-	-	-	5	-	-
	Cambridge	Line St, Cambridge	-	-	-	-	-	-	-	158	-	-
	Cambridge	Magazine/Chestnut, Cambridge	-	-	-	-	-	-	-	-	1	-
	Cambridge	Magazine/Fairmont, Cambridge	-	-	-	-	-	-	-	-	1	1
	Cambridge	Magazine/Green Sts, Cambridge	-	-	-	-	-	-	-	-	10	81
		Minor Projects	-	-	-	2	-	-	51	-	-	1
New Bedford	New Bedford	Mt Pleasant St - New Bedford	123	7	-	-	-	-	-	-	-	-
	Dedham	Oak/Maple/Pine, Dedham	-	-	-	-	-	-	-	-	1	-
	New Bedford	Park St #3, New Bedford	-	-	-	-	-	-	-	60	1	-
Southboro		Purchase St	65	-	-	-	-	-	-	-	-	-
	Cambridge	Rindge Ave, Cambridge	-	-	-	-	-	-	-	128	17	-
	Hyde Park	River St #1, Hyde Park	-	-	-	-	-	-	-	-	178	3
New Bedford	New Bedford	South Rodney French Blvd	-	-	-	70	-	-	-	-	-	-
Worcester	Worcester	Southbridge St. Relay - Worcester	-	-	-	-	-	177	-	-	-	-
	Cambridge	Sparks St, Cambridge	-	-	-	-	-	-	-	-	65	-
Cambridge	Cambridge	Sparks St, Cambridge	-	-	-	-	-	-	-	-	-	80
New Bedford	Dartmouth	Summit Ave - Dartmouth	38	-	-	-	-	-	-	-	-	-
	New Bedford	Tarklin Hill Rd, New Bedford	-	-	-	-	-	-	-	-	62	2
	Worcester	Tatman St, Worcester	-	-	-	-	-	-	-	-	71	-
New Bedford	New Bedford	Union St. #2, New Bedford	-	-	-	-	83	163	-	-	-	-
	New Bedford	Union St/Cl New Bedford	-	-	-	-	-	-	-	-	28	-
Cambridge	Somerville	.Vassar St., Cambridge	-	-	-	-	-	-	-	-	-	60
New Bedford	Fairhaven	Washington St - Fairhaven	-	-	-	-	-	-	-	-	-	-
	Worcester	Windsor St, Worcester	-	-	-	-	-	-	-	116	-	-
Worcester	Worcester	Worcester - College St	109	7	-	-	-	-	-	-	-	-
	Needham	Charles River Bridge, Needham	-	-	-	-	-	-	-	-	16	30
	Worcester	Coburn Ave, Worcester	-	-	-	-	-	-	-	-	212	52
	Worcester	Colburn Ave, Worcester	-	-	-	-	-	-	-	-	-	336
	Marlboro	Elm St, Marlboro	-	-	-	-	-	-	-	-	31	-
	Cambridge	Fresh Pond Pkwy, Cambridge	-	-	-	-	-	-	-	479	-	-
	Cambridge	Fresh Pond Pkwy, Cambridge	-	-	-	-	-	-	-	-	2	-
	Worcester	Gates St, Bridge, Worcester	-	-	-	-	-	-	-	-	27	(26)
	Hyde Park	Georgetown, Hyde Park	-	-	-	-	-	-	-	-	(77)	-
	Shrewsbury	Hartford Turnpike Shrewsbury	-	-	-	-	-	-	-	70	-	-
	Shrewsbury	Hartford Turnpike Shrewsbury	-	-	-	-	-	-	-	-	13	-
	Marlboro	Hildrith St #1, Marlboro	-	-	-	-	-	-	-	-	36	178
	Millbury	Howe Ave, Millbury	-	-	-	-	-	-	-	-	163	-
	Worcester	King St., Worcester	-	-	-	-	-	-	-	-	-	1

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
		Mains-Replacement (Paving Accl)	-	-	-	-	-	-	-	-	934	-
	W. Boylston	Maple St, West Boylston	-	-	-	-	-	-	-	148	-	-
	Shrewsbury	Maple Ave, Shrewsbury	-	-	-	-	-	-	-	-	-	104
	Shrewsbury	Maple Ave, Shrewsbury	-	-	-	-	-	-	-	-	-	209
	Framingham	Mellen St., Framingham	-	-	-	-	-	-	-	-	-	(17)
	Dedham	Mill Lane, Dedham	-	-	-	-	-	-	-	-	21	34
	Grafton	Oakmont Farms, Phase3, Grafton	-	-	-	-	-	-	-	-	15	-
	Grafton	Oakmont Farms, Phase3, Grafton	-	-	-	-	-	-	-	-	14	-
	Westboro	Overlook Dr, Westboro	-	-	-	-	-	-	-	3	-	-
	Westboro	Overlook Dr, Westboro	-	-	-	-	-	-	-	-	51	-
	Marlboro	Prospect St, Marl (Southboro District)	-	-	-	-	-	-	-	-	73	-
	Needham	Rosemary & Hillside, Needham	-	-	-	-	-	-	-	159	-	-
	Plymouth	Spooner St, Plymouth	-	-	-	-	-	-	-	2	-	-
	Hudson	Washington St, #1 Hudson	-	-	-	-	-	-	-	6	-	-
	Natick	Washington St, Natick	-	-	-	-	-	-	-	-	38	-
	Framingham	Waverly St, Framingham	-	-	-	-	-	-	-	-	235	-
	New Bedford	Wood/Slocum Sts, New Bedford	-	-	-	-	-	-	-	-	53	110
	Hopkinton	176 South St, Hopkinton	-	-	-	-	-	-	-	-	9	-
	Cambridge	770-790 Memorial Dr, Cambridge	-	-	-	-	-	-	-	-	4	-
	Worcester	Angela Rose Gardens, Worcester	-	-	-	-	-	-	-	-	8	-
	Westboro	Avalon @ Flanders, Westboro	-	-	-	-	-	-	-	-	1	-
	Marlboro	Avalon Orchards, Marlboro	-	-	-	-	-	-	-	-	27	15
	Worcester	Beacon St.	-	-	-	-	-	-	-	-	-	2
	Hopkinton	Connelly Hill Est., Hopkinton	-	-	-	-	-	-	-	-	5	-
	Ashland	Cookingham Greene, Ashland	-	-	-	-	-	-	-	-	5	-
	Uxbridge	Elmshade Estates, Uxbridge	-	-	-	-	-	-	-	6	-	-
	Ashland	Fiske Hill Est, Ashland	-	-	-	-	-	-	-	-	3	-
	Marlboro	Forest St, Marlboro	-	-	-	-	-	-	-	-	3	-
	Southboro	Grafton/Puritan Ph 1	-	-	-	-	-	-	-	-	-	11
	Hopkinton	Hearthstone, Hopkinton	-	-	-	-	-	-	-	1	-	-
	Hopkinton	Hearthstone, Hopkinton	-	-	-	-	-	-	-	-	1	-
	Marlboro	Hemenway St #370, Marlboro	-	-	-	-	-	-	-	-	1	12
	Holliston	Highland of Hol Ph2, Holliston	-	-	-	-	-	-	-	10	-	-
	Holliston	Highland Ph2, Holliston	-	-	-	-	-	-	-	-	2	-
	Holliston	Highland, Hol Ph2, Holliston	-	-	-	-	-	-	-	-	4	-
	Hopkinton	Hopkinton Meadows, Hopkinton	-	-	-	-	-	-	-	-	11	-
	Worcester	Indian Hills, Worcester	-	-	-	-	-	-	-	24	-	-
	Worcester	Indian Hills, Worcester	-	-	-	-	-	-	-	-	3	-
		Meadow Brk Village, Berlin	-	-	-	-	-	-	-	-	9	(12)
		Minor Projects	-	-	-	-	63	65	-	-	-	-
	Grafton	Oakmont Farms Phase 2, Grafton	-	-	-	-	-	-	-	39	-	-
	Grafton	Oakmont Farms Phase 2, Grafton	-	-	-	-	-	-	-	-	11	-
	Grafton	Oakmont Farms, Phase 3, Grafton	-	-	-	-	-	-	-	-	6	-
	Ashland	Orchard Hill Est 2, Ashland	-	-	-	-	-	-	-	14	-	-
	Ashland	Orchard Hill Est 2, Ashland	-	-	-	-	-	-	-	-	9	-
	Ashland	Oregon Heights, Ashland	-	-	-	-	-	-	-	2	-	-
	Ashland	Oregon Heights, Ashland	-	-	-	-	-	-	-	-	14	-
	Hudson	Pheasant Trail, Hudson	-	-	-	-	-	-	-	4	-	-
	Hudson	Pheasant Trail, Hudson	-	-	-	-	-	-	-	-	2	-
	Southboro	Pine Hill Rd Phase 1&2, Southboro	-	-	-	-	-	-	-	2	-	-
	Plymouth	Pine Hills, Plymouth	-	-	-	-	-	-	-	-	33	145
	Framingham	Potter School, Framingham	-	-	-	-	-	-	-	1	-	-
	Shrewsbury	Prospect Hills Phase 3, Shrewsbury	-	-	-	-	-	-	-	-	8	-
	Shrewsbury	Rawson Hills 3 Svc, Shrewsbury	-	-	-	-	-	-	-	-	2	-
	Hopkinton	South St, Hopkinton	-	-	-	-	-	-	-	-	1	-
Plymouth	Plymouth	Spooner St., Plymouth	-	-	-	-	-	145	-	-	-	-
	Northbridge	The Hills, Northbridge (Southboro District)	-	-	-	-	-	-	-	-	3	-
	Holden	The Seasons Phase 1, Holden	-	-	-	-	-	-	-	-	2	-
	Southboro	Villages at Hudson	-	-	-	-	-	-	-	-	-	4
	Milford	Village at Silverhill, Milford	-	-	-	-	-	-	-	7	-	-

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
	Milford	Village Silverhill, Milford	-	-	-	-	-	-	-	-	6	-
	Marlboro	Waterford Dr, Marlboro	-	-	-	-	-	-	-	-	8	-
	Marlboro	Wheeler Rd, Marlboro	-	-	-	-	-	-	-	-	4	-
	Sutton	Whitin Rd 1, Sutton	-	-	-	-	-	-	-	-	1	-
	Worcester	Windsor St, Worcester	-	-	-	-	-	-	-	-	2	-
	Westboro	Woodland Preserve, Westboro	-	-	-	-	-	-	-	10	-	-
	Westboro	Woodland Preserve, Westboro	-	-	-	-	-	-	-	-	1	-
	Natick	Woodland Village, Natick	-	-	-	-	-	-	-	-	1	-
	Worcester	Beacon St, Worcester	-	-	-	-	-	-	-	-	23	-
	Hyde Park	Georgetown, Hyde Park	-	-	-	-	-	-	-	(74)	-	-
	Millbury	Howe Ave, Millbury	-	-	-	-	-	-	-	-	5	-
	Cambridge	Line St, Cambridge	-	-	-	-	-	-	-	-	2	-
	Cambridge	Magazine/Green Sts, Cambridge	-	-	-	-	-	-	-	-	22	-
	W. Boylston	Maple St, West Boylston	-	-	-	-	-	-	-	10	-	-
	Westboro	Overlook Dr, Westboro	-	-	-	-	-	-	-	-	10	2
	New Bedford	Park St #3, New Bedford	-	-	-	-	-	-	-	40	-	-
	Cambridge	Rindge Ave, Cambridge	-	-	-	-	-	-	-	56	-	-
	Cambridge	Rindge Ave, Cambridge	-	-	-	-	-	-	-	-	19	-
	Hyde Park	River St #1, Hyde Park	-	-	-	-	-	-	-	-	100	-
	New Bedford	Tarklin Hill Rd, New Bedford	-	-	-	-	-	-	-	-	11	-
	Worcester	Tatman St, Worcester	-	-	-	-	-	-	-	-	13	-
	New Bedford	Union St/Ct New Bedford	-	-	-	-	-	-	-	-	14	-
	Natick	Washington St, Natick	-	-	-	-	-	-	-	-	22	17
	Framingham	Waverly St, Framingham	-	-	-	-	-	-	-	-	12	23
New Bedford	New Bedford	Wood St., New Bedford	-	-	-	-	-	277	-	-	-	-
	Plymouth	226 Nicks Rock Rd - Plymouth	-	-	1	-	-	-	-	-	-	-
Worcester	Worcester	Belmont st #1 - Worcester	-	-	32	-	-	-	-	-	-	-
Southboro	Marlboro	Carisbrook II - Marlboro	1	47	-	-	-	-	-	-	-	-
Southboro		Country Meadow	26	16	-	-	-	-	-	-	-	-
Southboro	Westboro	Fay Acres - Westboro	21	20	-	-	-	-	-	-	-	-
Southboro		Fay Farm Estates	-	4	20	-	-	-	-	-	-	-
Southboro	Marlboro	Goodale Farms, Marlboro	1	-	-	-	-	-	-	-	-	-
Southboro	Ashland	Heritage Estates, Ashland	30	-	-	-	-	-	-	-	-	-
Southboro	Shrewsbury	Hill's Farm Estates, Shrewsbury	13	3	30	-	-	-	-	-	-	-
Southboro	Hudson	Hudson - Reed Rd/Chestnut St	29	-	-	-	-	-	-	-	-	-
Worcester		Lincoln Sq. - Boy's Club	103	10	15	-	-	-	-	-	-	-
Worcester		Lincoln Sq. - Worcester Vocational	-	101	-	-	-	-	-	-	-	-
Southboro	Northboro	Northboro - Lincoln St	102	-	-	-	-	-	-	-	-	-
Plymouth	Plymouth	Off Samoset St - Plymouth	-	25	-	-	-	-	-	-	-	-
Southboro	Westboro	Picadilly Mill - Westboro	60	19	55	-	-	-	-	-	-	1
	New Bedford	Rivet & Orchard St - New Bedford	-	-	170	-	-	-	-	-	-	-
Southboro	Westboro	Ruggles St II - Westboro	-	93	81	-	-	-	-	-	-	-
Worcester	Holden	Salisbury St - Holden	(1)	-	-	-	-	-	-	-	-	-
Southboro	Sudbury	Sudbury Valley Estates	27	32	-	-	-	-	-	-	-	-
Cambridge	Cambridge	Vassar St - Cambridge	-	1,283	9	-	-	-	-	-	-	-
Southboro	Shrewsbury	Walnut Ridge Estates - Shrewsbury	18	(1)	1	-	-	-	-	-	-	-
Southboro	Upton	Warren Woods - Upton	12	-	-	-	-	-	-	-	-	-
Worcester	Worcester	Washington Heights #3 - Worcester	-	-	111	-	-	-	-	-	-	-
Worcester		West St Regulator	106	-	-	-	-	-	-	-	-	-
Worcester	Worcester	Worcester - Barber Ave	71	-	-	-	-	-	-	-	-	-
	Worcester	Belmont St - Worcester	57	(4)	-	-	-	-	-	-	-	-
Southboro	Marlboro	Bigelow St - Marlboro	-	-	148	-	-	-	-	-	-	-
New Bedford	New Bedford	Cedar Grove - New Bedford	34	-	-	-	-	-	-	-	-	-
Dedham	Needham	Central Ave - Needham	-	109	-	-	-	-	-	-	-	-
Southboro		Coolidge St	-	191	-	-	-	-	-	-	-	-
New Bedford	New Bedford	Crapo St - New Bedford	-	-	145	-	-	-	-	-	-	-

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
New Bedford	New Bedford	Durfee & Linden, New Bedford	-	(2)	-	-	-	-	-	-	-	-
Worcester	Holden	Fox Hill II - Holden	1	-	-	-	-	-	-	-	-	-
Southboro	Framingham	Framingham - Waverly St	15	-	-	-	-	-	-	-	-	-
New Bedford		Gifford Ave #2	37	-	-	-	-	-	-	-	-	-
Southboro	Natick	Harvard St - Natick	9	-	-	-	-	-	-	-	-	-
New Bedford	New Bedford	Hathaway Rd - New Bedford	32	-	-	-	-	-	-	-	-	-
Worcester	Worcester	Holland St - Worcester	-	16	-	-	-	-	-	-	-	-
Southboro	Framingham	Howard St., Framingham	5	-	-	-	-	-	-	-	-	-
Plymouth	Kingston	Independence Mall - Kingston	4	-	-	-	-	-	-	-	-	-
Southboro	Sherborne	Kendall Ave - Sherborn	-	-	67	-	-	-	-	-	-	-
Southboro	Marlboro	Lincoln St., Marlboro	2	-	-	-	-	-	-	-	-	-
Southboro	Hudson	Main St - Hudson	-	-	191	-	-	-	-	-	-	-
Southboro	Maynard	Main St - Maynard	54	-	-	-	-	-	-	-	-	-
Southboro	Shrewsbury	Main St - Shrewsbury	9	-	-	-	-	-	-	-	-	-
New Bedford	Mattapoisett	Marion Rd - Mattapoisett	-	-	329	-	-	-	-	-	-	-
Southboro	Holliston	Marked Tree Rd - Holliston	4	-	-	-	-	-	-	-	-	-
		Minor Projects	-	-	-	-	-	-	-	122	(947)	-
Cambridge	Cambridge	Mt Auburn St I - Cambridge	-	101	-	-	-	-	-	-	-	-
Southboro	Natick	Pond St - Natick	-	-	146	-	-	-	-	-	-	-
Plymouth	Plymouth	Samoset St - Plymouth	-	207	2	-	-	-	-	-	-	-
Cambridge	Cambridge	Sherman St - Cambridge	80	19	-	-	-	-	-	-	-	-
Worcester	Worcester	Vernon St. - Worcester	2	-	-	-	-	-	-	-	-	-
Southboro		Walnut St	13	-	-	-	-	-	-	-	-	-
Southboro	Holliston	Washington St. - Holliston	1	-	-	-	-	-	-	-	-	-
New Bedford	Fairhaven	Weeden Rd/Weeden Pl - Fairhaven	7	-	-	-	-	-	-	-	-	-
Worcester	Worcester	Western Leg Beltline - Worcester	335	16	57	-	-	-	-	-	-	-
Southboro	Framingham	Winch St. - Framingham	62	6	-	-	-	-	-	-	-	-
Southboro	W. Boylston	Worcester St - W Boylston	60	26	-	-	-	-	-	-	-	-
Southboro	Sherborne	Everett St - Sherborne	84	-	-	-	-	-	-	-	-	-
Cambridge		640 Memorial Dr	70	3	-	-	-	-	-	-	-	-
Dedham	Worcester	North Worcester Feed - Worcester	-	697	-	-	-	-	-	-	-	-
Worcester	Worcester	Annisquam St - Worcester	40	-	-	-	-	-	-	-	-	-
	Needham	Central Ave 2, Needham	-	-	-	-	-	-	-	-	50	-
	Needham	Central Ave, Needham	-	-	-	-	-	-	-	-	14	-
Worcester	Worcester	Country Club Blvd - Worcester	18	-	-	-	-	-	-	-	-	-
	Natick	Grove St/Walnut St, Natick	-	-	-	-	-	-	-	-	4	-
	Dartmouth	Hawthorne St, Dartmouth	-	-	-	-	-	-	-	-	289	-
Southboro	Holliston	Hollis St., Holliston	8	-	-	-	-	-	-	-	-	-
Southboro	Boylston	Main St - Boylston	-	188	25	-	-	-	-	-	-	-
	Millbury	Rt 146/122A, Millbury	-	-	-	-	-	-	-	-	256	6
	Millbury	Rt 146/Johnson St, Millbury	-	-	-	-	-	-	-	-	2	-
	Carver	S. Meadow / Main St, Carver	-	-	-	-	-	-	-	-	92	-
	Worcester	Shrewsbury St, Phase 2 Worcester	-	-	-	-	-	-	-	-	65	-
Worcester		Stores St	-	45	15	-	-	-	-	-	-	-
Southboro	Shrewsbury	Walnut St - Shrewsbury	68	-	-	-	-	-	-	-	-	-
	Framingham	Waverly St, Framingham	-	-	-	-	-	-	-	-	252	-
Worcester	Worcester	West St Regulator - Worcester	-	61	4	-	-	-	-	-	-	-
Plymouth	Plymouth	Westerly Rd & Summer - Plymouth	-	57	3	-	-	-	-	-	-	-
	Plymouth	Pine Hills - 12" steel main, Ply	-	-	-	-	-	-	-	-	3,468	16
	Plymouth	Pine Hills Bourne Rd-Take Station	-	-	-	-	-	-	-	-	802	33
		Marlboro Take Station	-	-	-	-	-	-	-	-	-	1,201
		Needham Take Station land acq	-	-	-	-	-	-	-	-	-	563
		Hopk/Asland transfer line	-	-	-	-	-	-	-	-	-	226
		Ponds of Plymouth - Purchase	-	-	-	-	-	-	-	-	-	1,934
		Ponds of Plymouth - Infrastructure	-	-	-	-	-	-	-	-	-	42
		Paving										887
		Corrosion Rectifiers	-	-	-	-	-	-	-	-	114	-

**NSTAR Gas Company
2002 SQI Capital Spending**

(Dollars in Thousands)

District	Town	Description	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002
		Gas Supply	-	-	-	-	-	-	-	-	-	777
		Technical Support	-	-	-	-	-	-	-	690	3,063	2,475
		Construction Accounting Services	-	-	-	-	-	-	-	152	-	-
		Total Distribution	\$ 11,747	\$ 15,322	\$ 13,547	\$ 10,217	\$ 16,169	\$ 17,198	\$ 17,114	14,789	\$ 21,686	23,522
Distribution - Customer Care:												
		Meter Purchases	1,527	1,245	1,000	256	370	665	\$ 932	635	\$ 718	1,426
		Automated Meter Reading	3,627	-	-	-	65	429	-	-	\$ -	-
		Total Distribution - Customer Care	\$ 5,154	\$ 1,245	\$ 1,000	\$ 256	\$ 435	\$ 1,094	\$ 932	635	\$ 718	1,426
Capitalized Overheads:			\$ 5,305	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	2,818	\$ 3,452	4,572
		Total Capital Spending *	\$ 22,206	\$ 16,567	\$ 14,547	\$ 10,473	\$ 16,604	\$ 18,292	\$ 18,046	18,242	\$ 25,856	29,520
Note:												
		* Total Capital Spending for years 1994 through 1999 include both Direct Charges and Indirect Charges by project.										
	1994	\$ 5,073										
	1995	\$ 4,876										
	1996	\$ 3,767										
	1997	\$ 5,899										
	1998	\$ 5,520										
	1999	\$ 5,585										

NSTAR Gas Company

Spare Component Acquisition & Inventory Policy and Practice

Year Ending December 31, 2002



Appendix 6

NSTAR Gas Company Spare Parts Policy and Practices
March 1, 2003

NSTAR Gas Company (“NSTAR Gas” or the “Company”) monitors and manages critical items for its gas distribution system using a state-of-the-art computerized and integrated work management and inventory-control/procurement system. This new system was installed in 1999-2000, and provides for identification of common items needed for NSTAR Gas, as well as the operating systems of all of the NSTAR Companies (*i.e.*, NSTAR Gas, Commonwealth Electric Company, Boston Edison Company and Cambridge Electric Light Company) (together the “NSTAR Companies”). Spare part requirements are periodically reviewed and updated by the Company to create efficiencies among and between the NSTAR Companies.

I. Gas and Electric Distribution System Spare Parts

The components of the NSTAR Gas distribution system are, for the most part, lower-cost and high-use items. Inventory levels are based on predicted numbers of: (1) replacements due to failure; (2) replacements due to wear, tear and obsolescence; and (3) new construction needs. Higher-cost, less-frequent turnover items, such as pad-mount switches, transformers, tapping and stopping equipment and regulators, are inventoried based on the same requirements.

In recent years, The NSTAR Companies have formed alliances with vendors of high-use items such as gas parts, distribution transformers, cable and overhead hardware. These alliances have proven very effective in assuring a continuous flow of high-quality components at a controlled price, as well as giving the NSTAR Companies priority treatment for emergency deliveries to cover natural disasters, which have the potential to drastically impact the system.

II. Electric Transmission and Distribution Substation & Gas Take Station Spare Parts

Components at the substation level are much higher in cost, but much lower in number. The turnover of these components and the parts associated with them is also very low. Historically, there was a substantial inventory of substation spare parts, with very high carrying costs. Based on alternative methods for obtaining replacement parts, spare parts inventories were reviewed by NSTAR Gas, and as a result, substantially reduced.

NSTAR Gas has identified the following alternatives to maintaining a substantial inventory of spare parts:

- Establishing relationships with suppliers who maintain inventories of spare parts that can be obtained by NSTAR Gas on very short notice, as described above.
- Utilizing equipment on the NSTAR Gas system, which has been recently replaced or upgraded, for use as spare parts. Because of the large number of

NSTAR Gas ongoing projects, this option would provide a fairly continuous supply of spare parts.

- Maintaining relationships with utilities that utilize similar equipment.
- Employing the use of rebuilding kits.
- Promoting redundancy in design and parallel feeds throughout the NSTAR Gas system to reduce the need for major component inventories.

For large critical components, dedicated spares are kept and replaced as used by NSTAR Gas.

NSTAR Gas Company

Staffing Levels

Year Ending December 31, 2002



Appendix 7

1997 THROUGH 2002

STAFFING

	1997	1998	1999	2000	2001	2002
Commonwealth Gas Company						
Union	392	412	401			
Management	172	200	176			
NSTAR Electric & Gas						
Union				2,264	2,272	2,324
Management				919	914	889

Note 1: From 1998 to 1999 and 1999 to 2000 the Company offered a voluntary separation program offered as part of the merger with Commonwealth Energy System. During the period from August 1999 through August 2000, 635 employees from the Boston Edison and Commonwealth Energy System elected to participate in this program and exited the merged company. This was a program that was negotiated with the union leadership. Under the program, approximately 300 union and 335 management employees terminated their employment.

Note 2: With the merger of BEC Energy and Commonwealth Energy System into NSTAR Electric and Gas and resulting consolidation of operations, employees are no longer categorized by or assigned to positions on the basis of the pre-merger operating company designations.

NSTAR Gas Company
2003
Performance Benchmarks

Year Ending December 31, 2002



Appendix 8

NSTAR Gas Company
2003
Performance Benchmarks

<u>Year</u>	<u>Percent Calls Answered (1)</u>	<u>Percent Service Appt. Met</u>	<u>Percent On-Cycle Meter Reads</u>	<u>Lost Work Day Accidents</u>	<u>Class I&II Odor Calls (2)</u>	<u>Consumer Division Cases</u>	<u>Billing Adjustments</u>
1992				11.01		1.034	96.61
1993				14.41		0.918	50.58
1994				11.37		1.125	40.20
1995				9.97		1.115	41.92
1996				9.38		0.576	11.98
1997	39.12%		94.60%	10.00		0.857	24.37
1998	30.90%		97.95%	9.43	98.50%	1.239	22.59
1999	51.15%		98.50%	6.10	98.38%	1.183	30.80
2000	81.49%	99.48%	99.13%	3.32	98.93%	0.761	4.51
2001	68.35%	99.57%	98.97%	1.22	99.28%	0.743	10.11
2002	79.08%	99.66%	98.19%		98.86%		
Mean	58.35%	99.57%	97.89%	8.62	95.00%	0.955	33.37
Std. Dev.	21.17%	0.09%	1.67%	3.96	na	0.219	26.77
Max. Penalty	16.01%	99.39%	94.54%	16.54	91.00%	1.393	86.91
25% Penalty	37.18%	99.48%	96.22%	12.58	94.00%	1.174	60.14
25% Offset	79.52%	99.66%	99.56%	4.66	96.00%	0.736	6.60
Max. Offset	100.68%	99.75%	101.24%	0.71	99.00%	0.518	-20.18

Notes (1) Based on 30 second threshold; includes abandoned calls.

Notes (2) DTE has fixed this benchmark @ 95% for all companies